

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-01717A
PONDEROSA UTILITY CORPORATION
3A OSAGE STREET
FLAGSTAFF, AZ 86001

RECEIVED

APR 04 2006

Z Corporation Commissic
Director of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2005
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entered
4-5-06
RF

FOR COMMISSION USE

ANN04	05
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COMPANY INFORMATION

Company Name (Business Name) PONDEROSA UTILITY CORPORATION

Mailing Address 3A OSAGE STREET

(Street)

FLAGSTAFF

(City)

AZ

(State)

86001

(Zip)

(928) 525-6210

Telephone No. (Include Area Code)

(928) 525-9444

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address SAME AS ABOVE

(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: SUSAN TEN PAS

(Name)

(Title)

3A OSAGE STREET

(Street)

FLAGSTAFF

(City)

AZ

(State)

86001

(Zip)

(928) 525-6210

Telephone No. (Include Area Code)

(928) 525-9444

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: SAME AS ABOVE

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: SAME AS ABOVE

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☒ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME PONDEROSA UTILITY CORPORATION

UTILITY PLANT IN SERVICE AS OF 01/31/06

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	1,443		1,443
302	Franchises			
303	Land and Land Rights	1,361		1,361
304	Structures and Improvements	122,877	80,088	42,789
307	Wells and Springs	223,844	91,601	132,243
311	Pumping Equipment	46,856	43,659	3,197
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	71,548	64,684	6,864
331	Transmission and Distribution Mains	184,607	184,607	0
333	Services	34,173	33,417	756
334	Meters and Meter Installations	55,924	48,027	7,897
335	Hydrants	5,609	5,588	21
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	558	68	490
340	Office Furniture and Equipment	19,435	14,297	5,138
341	Transportation Equipment	63,398	34,063	29,335
343	Tools, Shop and Garage Equipment	27,530	17,597	9,933
344	Laboratory Equipment			
345	Power Operated Equipment	787	513	274
346	Communication Equipment			
347	Miscellaneous Equipment	4,716	2,620	2,096
348	Other Tangible Plant			
	TOTALS	864,666	620,829	243,837

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME PONDEROSA UTILITY CORPORATION

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

AS OF 01/31/06

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	1,443		
302	Franchises			
303	Land and Land Rights	1,361		
304	Structures and Improvements	122,877	3.33%	4,031
307	Wells and Springs	223,844	3.33%	7,454
311	Pumping Equipment	46,856	12.50%	5,814
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	71,548	2.22%	1,588
331	Transmission and Distribution Mains	184,607	2.00%	0
333	Services	34,173	3.33%	13
334	Meters and Meter Installations	55,924	8.33%	4,451
335	Hydrants	5,609	2.00%	112
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	558	6.67%	23
340	Office Furniture and Equipment	19,435	6.67%	1,250
341	Transportation Equipment	63,398	20.00%	10,655
343	Tools, Shop and Garage Equipment	27,530	5.00%	1,367
344	Laboratory Equipment			
345	Power Operated Equipment	787	5.00%	39
346	Communication Equipment			
347	Miscellaneous Equipment	4,716	10.00%	425
348	Other Tangible Plant			
	SUBTOTALS	864,666		37,222
	CIAC Amortization			1,912
	TOTALS			35,310

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

**ULLMANN
& COMPANY P.C.**
Certified Public Accountants

To the Board of Directors of
Ponderosa Utility Corporation
Scottsdale, Arizona

RECEIVED

APR 04 2006

Arizona Corporation Commission
Director of Utilities

We have compiled the balance sheet of Ponderosa Utility Corporation (a corporation) as of January 31, 2006 and 2005, and the comparative statement of income and expense for the years then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Arizona Corporation Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

All other information contained in the accompanying prescribed form has not been audited, reviewed, or compiled by us and, accordingly, we assume no responsibility for that information.

Ullmann & Company

ULLMANN & COMPANY, P.C.
Certified Public Accountants

March 24, 2006

COMPANY NAME
PONDEROSA UTILITY CORPORATION

BALANCE SHEET

Acct. No.		1/31/2005	1/31/2006
		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 9,507	\$ (326)
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	21,251	23,662
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	1,850	1,850
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 32,608	\$ 25,186
	FIXED ASSETS		
101	Utility Plant in Service	\$ 873,537	\$ 864,666
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	593,060	620,829
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 280,477	\$ 243,837
	TOTAL ASSETS	\$ 313,085	\$ 269,023

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME PONDEROSA UTILITY CORPORATION

BALANCE SHEET (CONTINUED)

Acct. No.		1/31/2005	1/31/2006
		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable		
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	26,193	0
235	Customer Deposits	13,069	10,424
236	Accrued Taxes	9,620	15,573
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 48,882	\$ 25,997
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ -	\$ -
	DEFERRED CREDITS		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	24,068	24,724
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	95,595	95,595
272	Less: Amortization of Contributions	57,698	59,610
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 61,965	\$ 60,709
	TOTAL LIABILITIES	\$ 110,847	\$ 86,706
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 52,541	\$ 52,541
211	Paid in Capital in Excess of Par Value	29,091	29,091
215	Retained Earnings	120,606	100,685
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 202,238	\$ 182,317
	TOTAL LIABILITIES AND CAPITAL	\$ 313,085	\$ 269,023

COMPANY NAME PONDEROSA UTILITY CORPORATION

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	1/31/2005	1/31/2006
		PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 230,376	\$ 234,639
460	Unmetered Water Revenue		
474	Other Water Revenues	4,293	2,880
	TOTAL REVENUES	\$ 234,669	\$ 237,519
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 64,162	\$ 53,878
610	Purchased Water		
615	Purchased Power	21,501	20,318
618	Chemicals		
620	Repairs and Maintenance	11,429	6,410
621	Office Supplies and Expense	11,999	6,465
630	Outside Services	12,134	12,296
635	Water Testing	4,471	3,381
641	Rents		
650	Transportation Expenses	6,201	9,861
657	Insurance - General Liability	5,752	3,036
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	6,333	7,385
403	Depreciation Expense	33,196	35,310
408	Taxes Other Than Income	5,733	4,779
408.11	Property Taxes	8,915	9,461
409	Income Tax	2,567	10,007
	TOTAL OPERATING EXPENSES	\$ 194,393	\$ 182,587
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses	0	32,910
427	Interest Expense	2,999	1,703
	TOTAL OTHER INCOME/EXP	\$ (2,999)	\$ (34,613)
	NET INCOME/(LOSS)	\$ 37,277	\$ 20,319

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ 24,724
Meter Deposits Refunded During the Test Year	\$ 3,802

COMPANY NAME Ponderosa Utility Corp.

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-806223	30	75	950	10	3	
55-566882	40	120	1120	8	3	1998

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
15	1	29	
10	4		
5	4		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
125,000	1	5000	1
84,000	1	3000	1
25,000	1	1100	1
8,500	1		

7,500	1
66,000	1
22,000	1

COMPANY NAME Ponderosa Utility Corp.

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	6550
3	PVC	10355
4	PVC	14220
5		
6	PVC	15110
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X ¾	562
3/4	2
1	14
1 1/2	1
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

COMPANY NAME: Ponderosa Utility Corp.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2005

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	533	1845	2231
FEBRUARY	528	1530	1626
MARCH	531	1557	1978
APRIL	531	1158	1727
MAY	535	1733	1890
JUNE	545	3268	2760
JULY	550	3270	3493
AUGUST	548	2152	2110
SEPTEMBER	549	2642	1582
OCTOBER	547	2178	2634
NOVEMBER	543	1716	2230
DECEMBER	531	1619	2110
TOTAL		24668	26371

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☐ Yes ☒ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. Well #1 .0015 mg/l
(If more than one well, please list each separately.)

Well #2
.0025

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME PONDEROSA UTILITY CORPORATION **YEAR ENDING 1/31/2006**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2005 was: \$ 9,188

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

DATE		AMOUNT
1 st May	Pump Taps	2000
	TOTAL	

3A OSAGE ST.
FLAGSTAFF, AZ 86001
928-525-6210

DATE 10-11-05

91-170/1221


PAY
TO THE
ORDER OF

BENARY LYNN - COCONINO CO. TREAS.

\$ 4730.32

FOUR THOUSAND SEVEN HUNDRED THIRTY

DOLLARS

 Contains Security Features Details on Back.

BANK OF AMERICA, N.A.

920-90-106-3

1100511911 1:1221017061: 00024564986911

0000473032

DEPOSIT TO
COCOA INU WUUT TREASURER

CRYPTO THE TOWER OF
WELLS 2011
22 01 02

10 28 95

WFB MA TEMPEL0312005
4703 05030768272 4
>1221-0527-8<
28976: 15 E3U 62

VS DATE 11/01/05

11/01/05 E3350 01 P01 P13 E C 050 AZ

3550747540

BY ENDORSEMENT, THIS CHECK IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT(S):

DATE	AMOUNT
2004 Prop TAX	
2nd half	
Inc. 920-90-106-3	
TOTAL	

Ponderosa Utility Corporation

3A W. Osage St.
Flagstaff, AZ 86001
928-525-6210

5176751

4909

DATE 4-20-05

91-170/1221

PAY TO THE ORDER OF BONNIE K. KRASKE, COCO. CO. TREASURER \$ 4457.64

FOUR THOUSAND FOUR HUNDRED FIFTY-SEVEN ⁶⁴/₁₀₀ DOLLARS

BANK OF AMERICA, N.A.

Contains Security Features Details on Back

FOR

⑈004909⑈ ⑆122101706⑆ 000235649869⑈

⑈0000445764⑈

John E. Smith

2/05 E3578 01 P01

50241477

VS DATE 05/02/05

P13 E C 05042

UFB NA TEMPE04292005

4289 04230244970 4

>1221-0527-8<

15 ESU 64

PAY TO THE ORDER OF
WELLS FARGO BANK ARIZONA NA
122105278

04 28 05

FOUR EIGHT TWO

FOUR EIGHT TWO

FOUR EIGHT TWO

FOUR EIGHT TWO

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

RECEIVED

APR 04 2006

**Z Corporation Commission
Director of Utilities**

VERIFICATION

**STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE**

COUNTY OF (COUNTY NAME) COCONINO
NAME (OWNER OR OFFICIAL) TITLE SUSAN TEN PAS, PRESIDENT
COMPANY NAME PONDEROSA UTILITY CORPORATION

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH 12	DAY 31	YEAR 2006
--------------------	------------------	---------------------

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



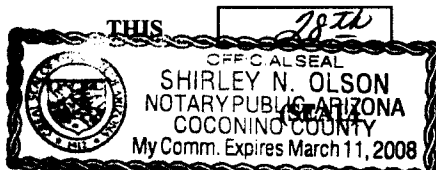
SIGNATURE OF OWNER OR OFFICIAL

928-525-6210

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



MY COMMISSION EXPIRES

DAY OF

THIS

28th

COUNTY NAME COCONINO	
MONTH March	YEAR 2006



SIGNATURE OF NOTARY PUBLIC

02/11/2008

COMPANY NAME PONDEROSA UTILITY CORPORATION YEAR ENDING 1/31/2006

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>44,774</u>
Estimated or Actual Federal Tax Liability	<u>6,716</u>

State Taxable Income Reported	<u>47,301</u>
Estimated or Actual State Tax Liability	<u>3,296</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>N/A</u>
Amount of Gross-Up Tax Collected	<u>N/A</u>
Total Grossed-Up Contributions/Advances	<u>N/A</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Susan TerPas
SIGNATURE

3/28/06
DATE

Susan TerPas
PRINTED NAME

President
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 04 2006

Z Corporation Commission
Director of Utilities

**VERIFICATION
STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE**

COUNTY OF (COUNTY NAME) COCONINO
NAME (OWNER OR OFFICIAL) TITLE SUSAN TEN PAS, PRESIDENT
COMPANY NAME PONDEROSA UTILITY CORPORATION

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

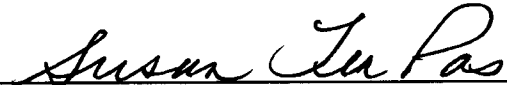
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 258,289

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 15,689
IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

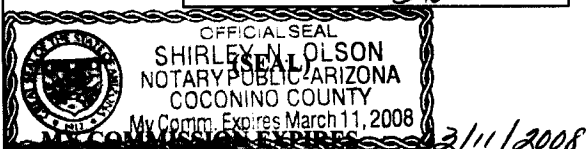

SIGNATURE OF OWNER OR OFFICIAL
928-525-6210
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 28th **DAY OF**

COUNTY NAME <u>COCONINO</u>	
MONTH <u>March</u>	<u>2006</u>




SIGNATURE OF NOTARY PUBLIC

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

APR 04 2006

Corporation Commissio
Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 258,289

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 15,689
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Susan Ten Pas
SIGNATURE OF OWNER OR OFFICIAL

928-525-6210
TELEPHONE NUMBER

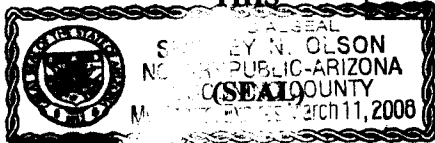
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

28th

DAY OF



MY COMMISSION EXPIRES

02/11/2008

NOTARY PUBLIC NAME <u>SHIRLEY N. OLSON</u>	
COUNTY NAME <u>COCONINO</u>	
MONTH <u>March</u>	20 <u>06</u>

X Shirley N. Olson
SIGNATURE OF NOTARY PUBLIC

